

**6/7/77**

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memo	From Harold Brown to The President Re: Assignment of General Singlaub (1 page)	6/7/77	A

## FILE LOCATION

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THE PRESIDENT'S SCHEDULE

Tuesday - June 7, 1977

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8:15 Dr. Zbigniew Brzezinski - The Oval Office.

8:45 Mr. Frank Moore - The Oval Office.

✓ 9:00 (5 min.) Congressman John Jenrette, Jr. and Mr. Gene Dalton,  
President, Postmasters Association. (Mr. Frank  
Moore) - The Oval Office.

✓ 9:15 (30 min.) Meeting with Congressional Group/ B-1 Bomber.  
(Mr. Frank Moore) - The Cabinet Room.

10:00 Mr. Charles Schultze - The Oval Office.

10:30 Mr. Jody Powell - The Oval Office.

11:30 Vice President Walter F. Mondale,  
Admiral Stansfield Turner, and  
Dr. Zbigniew Brzezinski - Oval Office.

✓ 12:15 (5 min.) Mr. and Mrs. Paul Landry and Family.  
(Mr. Greg Schneiders) - The Oval Office.

✓ 12:30 (45 min.) Lunch with Southern Baptist Group.  
The Roosevelt Room.

✓ 1:30 (15 min.) Senator Charles Mathias. (Mr. Frank Moore).  
The Oval Office.

✓ 2:00 (15 min.) Senator Thomas F. Eagleton. (Mr. Frank Moore).  
The Cabinet Room.

2:30 Ambassador Andrew Young - The Oval Office.

THE WHITE HOUSE  
WASHINGTON

June 7, 1977

Dan Tate

The attached letters were signed  
by the President and are forwarded  
to you for delivery on the Hill.

Rick Hutcheson

Re: Clean Air Act

cc: Stu Eizenstat  
Bob Linder

X



Electrostatic Copy Made  
for Preservation Purposes

THE WHITE HOUSE  
WASHINGTON

June 7, 1977

MEMORANDUM FOR THE PRESIDENT

FROM

STU EIZENSTAT  
KITTY SCHIRMER



SUBJECT

SENATE LETTERS ON THE CLEAN AIR ACT

The Senate will begin consideration of amendments to the Clean Air Act on Wednesday, June 8. A vote on the auto emissions issue could come at any time, but is most likely on Thursday. Headcounts now available show that a vote on the Muskie/Committee proposal (which is slightly more stringent than the Administration proposal) could go either way.

Should it appear that the Muskie/Committee version will lose, Muskie will compromise with Baker on a schedule which will bring emissions standards in line with the Administration's recommendation (without the provision for 0.4 NOx if health effects warrant). We think that a Baker/Muskie compromise will pass, but it is still close.

Muskie has suggested, and we concur, that a letter from you reiterating the Administration's opposition to the Griffin/Riegle amendment (which is identical to the UAW/Dingell proposal adopted by the House) would help ensure that, at a minimum, the Baker/Muskie compromise will succeed. As a courtesy, identical letters should be sent to Chairman Randolph and Senator Stafford, the ranking minority member.

The attached letters also state our opposition to any weakening amendments to the section of the Act dealing with prevention of significant deterioration of air quality in areas now cleaner than required by the standards. A weakening amendment passed in the House, and it is important to have a strong Senate position to work from in Conference.

We would recommend releasing this letter to the press if you decide to sign it. Muskie feels this would help give the issue visibility and would make it easier for him to deal with other Senators. The sooner it is done, the more time he will have to work with his colleagues. Frank Moore has seen the letters and concurs.

Approve \_\_\_\_\_ ✓

Disapprove \_\_\_\_\_



THE WHITE HOUSE  
WASHINGTON

June 7, 1977

To Senator Robert Stafford

The amendments to the Clean Air Act of 1970 which the Senate will soon consider are of critical importance to the success of our public health and environmental programs.

My EPA Administrator, Doug Costle, my Energy Advisor, Jim Schlesinger, and I studied the issues associated with these amendments very carefully before submitting the Administration's recommendations to the Congress last April. We examined the auto emission schedule proposed by Senators Griffin and Riegle, and found it unnecessarily lax from the technology and fuel economy standpoints, and inadequate in view of the need to protect the health of our citizens in urban areas.

More than 96 million people in at least 48 of our cities breathe air which exceeds the federal health-based air quality standards. Asthma, chronic lung disease, respiratory illness, and cardiovascular attacks are among the health impacts which auto pollution can cause. These effects are particularly severe in children and in the elderly. We cannot hope to have a successful public health program in this country without a major effort to reduce pollutant levels in our air.

Fortunately, however, auto emissions are controllable without jeopardizing our ability to meet fuel economy standards, adding substantially to the cost of automobiles, or costing our economy the jobs we so vitally need. While we have made some progress in reducing auto pollution, the technology is available to do better.



The proposal which I submitted to the Congress, like the Committee bill, will require use of emissions clean-up technology which is inherently more efficient than that being used today. The Griffin-Riegle proposal would encourage continued use of this less efficient technology, thereby compromising our ability to protect public health and achieve our fuel economy goals.

Control of auto pollution also has direct bearing on economic growth and our ability to provide jobs in our cities. Each additional increment of unnecessary pollution -- pollution which could be controlled -- is wasting those air quality margins which would otherwise be available for development in our urban areas. The unnecessary relaxation of auto emissions standards and clean-up schedule proposed in the Griffin-Riegle amendment would exacerbate the already difficult choices which our cities now face in providing for both economic growth and protection of public health. It would also hinder our program to make increased use of coal.

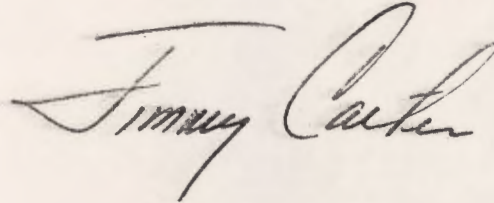
For these reasons, I remain firmly opposed to the proposal made by Senators Griffin and Riegle.

On another matter, I want to reiterate my support for the Committee's provisions for protection of air quality in areas which are now cleaner than required by the primary ambient air quality standards, particularly our national parks and wilderness areas. As I stated in my Energy and Environmental Messages, we can achieve our energy goals without sacrificing environmental quality. We can build those power plants which are needed without ruining the air quality of our national parks. Amendments such as those offered by Messrs. Breaux and Emery in the House of Representatives defeat the very purpose for which these spectacular natural areas have been set aside. I urge that you

and your colleagues oppose any amendments which would weaken our ability to protect these irreplaceable resources.

An identical letter is being sent to Chairman Randolph and Senator Muskie.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable Robert T. Stafford  
Committee on the Environment  
and Public Works  
United States Senate  
Washington, D.C. 20510



THE WHITE HOUSE

WASHINGTON

June 7, 1977

To Senator Ed Muskie

The amendments to the Clean Air Act of 1970 which the Senate will soon consider are of critical importance to the success of our public health and environmental programs.

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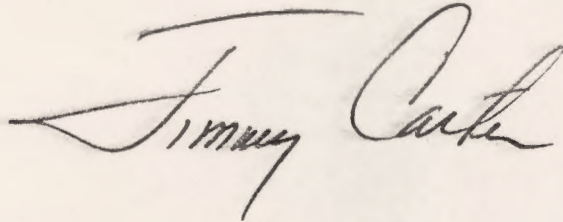
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The Honorable Edmund S. Muskie  
Committee on the Environment  
and Public Works  
United States Senate  
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

June 7, 1977

To Senator Jennings Randolph

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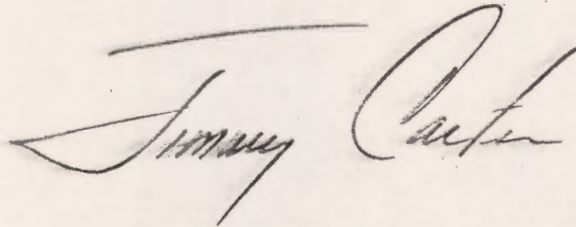
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and your colleagues oppose any amendments which would weaken our ability to protect these irreplaceable resources.

An identical letter is being sent to Senators Muskie and Stafford.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is fluid and cursive, with a long horizontal line extending from the "J" and a large, sweeping "C" for "Carter".

The Honorable Jennings Randolph  
Chairman  
Committee on the Environment  
and Public Works  
United States Senate  
Washington, D.C. 20510



THE WHITE HOUSE  
WASHINGTON

*Hold per  
leave to  
talk w/ Blumenthal  
B.*

Date: June 7, 1977

MEMORANDUM

FOR ACTION:

Jack Watson *[Signature]*

FOR INFORMATION: Frank Moore

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Stu Eizenstat memo 6/6/77 re Sunset Bill -- Senator Glenn's Letter.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*file  
not to Pres  
(shorter version  
meant)*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

*Secret Field*  
*James H. ...*  
*...*

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
X	MOORE
	POWELL
X	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

X	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
X	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE



THE WHITE HOUSE

WASHINGTON

June 6, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

Sunset Bill -- Senator Glenn's Letter

Senator John Glenn recently asked me to meet with him on postal reform. At that meeting he also expressed concern about the position which Secretary Blumenthal had taken on Senator Muskie's Sunset Bill as it applies to tax expenditures.

In March, after receiving your go-ahead, numerous Administration witnesses testified in support of sunset legislation. Prior to your decision, the Treasury Department wrote to you indicating problems with terminating tax expenditures. In response to their concerns you indicated that you did not oppose inclusion of tax expenditures in the Sunset Bill. I believe Secretary Blumenthal took that position in his testimony, although indicating problems with the approach.

Subsequently, Secretary Blumenthal wrote Senator Glenn suggesting that termination dates for tax expenditures be deleted from the bill and considered when there is more experience with sunset provisions. So far as we are aware, no one at the White House was consulted about this position. Senator Glenn is very upset since he feels that tax expenditures are among the most important things to include in a Sunset Bill---since they are the least currently reviewed by either the Executive Branch or Congress and because of their central importance.

For reasons set out in my original memorandum on this subject, attached hereto, I agree. However, I have asked Charlie Schultze for his opinion on this matter. He indicated that:

"CEA supports Secretary Blumenthal's view that tax expenditure provisions be reviewed automatically but should not expire every five years. They argue

that long-run planning by individuals and business firms would be substantially impaired by the automatic expiration feature of the sunset law; for example:

- o union health benefit plans
- o employer pension plans
- o asset depreciation range (in planning new investment)
- o purchase of a home (property tax and interest depreciation)
- o deductibility of charitable contributions (e.g., private universities)

Taxpayers are always at risk, of course, that tax legislation will be enacted which eliminates or modifies particular provisions. But to regularize uncertainty by an automatic 5-year expiration date would greatly increase uncertainty, and add new obstacles to personal and business investment."

I am attaching a copy of Senator Glenn's letter together with a proposed reply, if you agree with my suggested approach. If not, I will be glad to work with Charlie and Secretary Blumenthal on another letter.

As a courtesy to Secretary Blumenthal, I strongly recommend that you talk with him about this matter before such a letter is sent.





THE WHITE HOUSE  
WASHINGTON

March 21, 1977

The Vice President  
Secretary Blumenthal  
Stu Eizenstat  
Bob Lipshutz  
Frank Moore  
Jody Powell  
Jack Watson  
Bert Lance

Re: Sunset Laws

The attached was returned in the President's  
outbox and is forwarded to you for appropriate  
action.

Rick Hutcheson

cc: Ham Jordan



THE WHITE HOUSE  
WASHINGTON

Mr. President:

Reservations to the attached from  
Margaret McKenna of Lipshutz' office:

"I am concerned that endorsing the legislation, but with qualifications, will end up equaling an endorsement. I am not certain where agencies will come out on this matter since they have not been consulted. I am also concerned that we have dealt only with Sen. Muskie. I think we should touch base with the Majority Leader and a couple of key Chairmen before getting in too deep.

Therefore I suggest keeping some distance from S.2 and clearly articulate our reservations and work with the Hill staff early to make needed changes."

No other comments were received from staff.

Rick

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT AND BERT LANCE

SUBJECT:

Sunset Laws

Four Departments (DOD, Treasury, Labor, and HEW) and OMB have been asked to testify at hearings chaired by Senator Muskie on Sunset laws March 22-23. Stu Eizenstat has met with Senator Chiles and his staff and Senator Muskie and his staff on this issue. This memorandum requests your guidance on the Administration's position.

As you know, the Sunset concept requires periodic review of Federal programs, with automatic termination of those that are not reenacted by Congress. Senator Muskie is supporting a bill (S.2) which would mandate broad Sunset with the first reviews due in September 1979. The only programs excluded would be interest on the public debt and major trust funds, such as Medicare and Social Security. Senators Percy, Byrd, and Ribicoff have a bill (S.600) which would cover only regulatory agencies.

Muskie's bill has 53 Senate co-sponsors and will be the focus of the hearing. It is more flexible than last year's bill. The key concepts are (1) that programs will be reviewed in functional groups (e.g., housing subsidies will be reviewed with tax provisions affecting housing), and (2) that each group will be subject to "Sunset" once every five years. Only the authorization to appropriate money expires at the end of the review period--not the substantive legislation.

Muskie's comprehensive approach has problems:

- 1) Sunset may complicate our Zero Base Budgeting (ZBB) by inducing Congress to reject our recommendations for budget changes until its Sunset reviews take place.
- 2) Sunset could lead to similar delays in Congress on our reorganization proposals.
- 3) Sunset could be used by Congressional minorities or committee chairmen to kill politically weak but desirable programs by holding up reenactment.
- 4) Sunset could reduce the Congress' ability to pass substantive legislation by tying it up with large numbers of program reviews.



- 5) Some powerful Congressmen oppose across-the-board Sunset.  
(e.g., Stennis wants Defense excluded and Long wants tax expenditures excluded.)

However, we feel you should support Muskie's approach for these reasons:

- 1) Sunset represents a major commitment to Congressional review of Federal programs and could help make the Government more efficient.
- 2) You supported the Sunset concept during and after the campaign.
- 3) Sunset is essentially a way for Congress to reorganize its budget oversight responsibilities, and it is hard for the Executive Branch to oppose that. We can hardly argue against the Congress giving the same scrutiny to these programs through its Sunset procedures as the Executive Branch will be doing through ZBB.
- 4) Senator Muskie, who is a senior member of the Government Operations Committee, expects your support, while the opponents of Sunset do not expect you to side with them.
- 5) Sunset has broad popular support across ideological lines.

#### OPTIONS

- 1) Support across-the-board Sunset and the general concept of the Muskie Bill.
- 2) Support broad Sunset review but request the exclusion of programs that are indisputably necessary (e.g., State's diplomatic functions, the Internal Revenue Service.) This would reduce the burden of Sunset but complicate the effort to review related programs across agency lines.
- 3) Support Sunset review of several specified functions as an experiment. (e.g., transportation, welfare, housing, environment.)
- 4) Support only Sunset review of the regulatory agencies. (i.e. endorse Percy-Byrd-Ribicoff or a variant.)

#### RECOMMENDATION

We suggest that you support Option #1 and encourage Cabinet Members to suggest adjustments to minimize the problems and improve the process, such as:

- a) revise the order by which functions will be reviewed to reflect Administration priorities (e.g., welfare should be considered next year to coincide with our legislative proposals in this area.)



b) propose criteria for the reviews

NOTE: Senator Muskie is open to changes of this sort as long as we support the general concept.

ACTION

Support recommended Option #1 ✓.

Support another Option \_\_\_\_\_.

ADDITIONAL ISSUES IF YOU SUPPORT THE MUSKIE CONCEPT

- 1) The Muskie Bill mandates a new Hoover Commission to study government reorganization. Lance wants to oppose this because it would delay your reorganization initiatives and because you have already designated OMB to do this job. Eizenstat agrees.

Agree ✓

Disapprove \_\_\_\_\_

- 2) The Bill contains a requirement that all agency budget submissions to OMB go to Congress immediately after you submit your budget. (At present, appropriations committees can get such information on request.) Lance wants to oppose this because it would focus attention on the budget disputes within the Administration and discourage frank communication between OMB and the agencies during the budget process. Eizenstat agrees.

Agree ✓

Disapprove \_\_\_\_\_

- 3) Secretary Blumenthal wants to testify that tax expenditures should be excluded from the automatic termination requirement of the Muskie Bill. (His memo is attached.) He strongly supports periodic review of such provisions, but he recommends that the Administration oppose automatic termination because:

- a) This requirement is so controversial that retaining it could kill the entire bill.
- b) Personal and business decision-making would be complicated by uncertainty as to the future of tax benefits.
- c) Ending tax expenditures is far more complicated than ending the authorization for programs because:

--they frequently have a scope broader than the set of functions reviewed each year;

--unlike program authorizations, substantive legislation would be needed to eliminate many of them; and



--automatic termination would require complex transition rules which would have to be written into the Sunset Bill. (E.g., elimination of the home mortgage interest deduction should not apply to people who depended on the deduction when they bought their homes.) This could kill the Bill by bogging it down in a complex tax debate.

We disagree for these reasons:

- a) If the Administration were to support special treatment for tax provisions, it would look like an abandonment of your commitment to tax reform. How can we support automatic termination of welfare and oppose it for tax benefits?
- b) No one thinks that the Sunset Bill will actually terminate many programs each year. Rather, the automatic termination provision is a prod to force serious review of programs. It is particularly important to apply that prod to tax expenditures--and the tax writing committees--because tax provisions historically have been subject to less careful review than most other programs.
- c) Most of Treasury's concerns also apply to the other kinds of programs covered by Sunset. Thus termination of welfare benefits would arouse public emotions and would require complex transition rules. The Sunset Bill itself need not spell out such rules; they can be enacted if and when a program is actually terminated.
- d) The Finance Committee may get the tax provision stricken from the Bill, but there is no need for us to get involved in that fight.

We urge you not to oppose inclusion of tax expenditures in the Bill.

Agree ✓

Disapprove \_\_\_\_\_





## United States Senate

WASHINGTON, D.C. 20510

May 26, 1977

Honorable Jimmy Carter  
The President  
The White House  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C.

Dear Mr. President:

In a letter dated April 14, 1977 to Senator Ed Muskie, Secretary of the Treasury W. Michael Blumenthal raised certain reservations concerning proposed legislation requiring sunset review for federal tax expenditure provisions. The proposal, which I authored, is now contained in Title V of S. 2 as reported by the Senate Subcommittee on Intergovernmental Relations. The Secretary's concerns center around the difficulties he sees in defining tax expenditure provisions and in providing for a termination schedule for these provisions. The Secretary suggests that the termination provisions of Title V should be eliminated in favor of a review procedure without termination dates and that such termination dates should be enacted, if at all, at some later time.

The Secretary in his letter stated:

"I therefore suggest that the Congress immediately enact a modified S. 2 (subject also to modifications recommended by OMB Director Lance) which would require sunset review of tax expenditures along with budget outlays in functional and subfunctional categories. I further urge that specific termination dates for tax expenditures not follow until we have had experience with the review procedure."

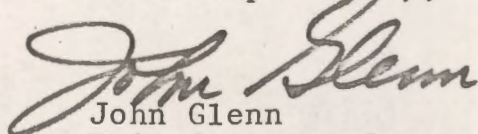
I strongly disagree with the position taken by the Secretary in that I regard termination dates as absolutely essential for an effective congressional review of tax expenditures. I do not intend, however, to attempt to argue the matter in this letter. Rather, my purpose is to ask whether the Secretary's expressed position is that of your Administration or whether the Secretary in his letter was speaking for himself alone. I also want to communicate to you my own perception that the Secretary's letter is not consistent with your previously expressed views on sunset legislation.

Page 2

S. 2 will be marked up in the full Governmental Affairs Committee on June 15th. It would be most helpful if I could be informed of your views on this most important matter in advance of that date. I would be happy to discuss my own thoughts on the issue with you or any member of your staff at your or their convenience.

Best personal regards.

Most respectfully,

A handwritten signature in dark ink, appearing to read "John Glenn", written in a cursive style.

John Glenn  
United States Senator

JG/lmo

Cc: Hon. W. Michael Blumenthal  
Secretary of the Treasury

Hon. Edmund S. Muskie  
Chairman, Subcommittee on  
Intergovernmental Relations  
Committee on Governmental Affairs



Proposed Reply to  
Senator Glenn

THE WHITE HOUSE

WASHINGTON

To Senator John Glenn

I am replying to your letter of May 26, inquiring about the Administration's position on sunset termination dates for tax expenditures.

I support the sunset concept because I believe in thorough, periodic reviews of Federal programs. The automatic termination provisions are central to this approach because they ensure that such reviews will be carried out.

All programs including tax expenditures can benefit from such reviews, and I therefore support the full sunset approach applied across-the-board.

Sincerely,

The Honorable John Glenn  
United States Senate  
Washington, D. C. 20510



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United States Senate  
Washington, D. C. 20510

THE WHITE HOUSE  
WASHINGTON

June 7, 1977

Stu Eizenstat -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Article In Postmaster's Advocate



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THE WHITE HOUSE  
WASHINGTON

*Stu -  
read article*

*J*

**Electrostatic Copy Made  
for Preservation Purposes**



*"If I am elected President,  
I will take quick steps to make  
our Postal Service efficient  
and dependable again."*



These are the words of President-Elect Jimmy Carter as he campaigned for the Presidency of the United States. But, before we tell that story, there is another that needs telling.

It was in the Spring of this year, 1976, March to be more specific, that the entire matter seemed to come to a head. Nearly three hundred Postmasters from around the country gathered in Washington to discuss a number of topics, not the least among them the frustrations of a Postal Service that was rapidly eroding. The expressions of those who rose to their feet to speak seemed like a collective letting of dissatisfaction, an attitude that had not just grown but flourished in the months prior.

The position of Postmaster and the role of leadership historically have gone hand-in-hand. The early morning meeting of the group was further evidence of this. Prior to visits by Members of the House and Senate, Postmasters began to seriously discuss the obvious dissidence between the Postal Service, the Congress and the Administration. The discussions were intense and acute sensitivity seemed to affect all present. The visit of Capitol Hill speakers only fanned the desire of the Postmasters to "do something" to right the situation.

The meeting concluded, but not before a smaller group decided that it was time to approach President Ford with the seriousness of the postal predicament. Thus a small group, with just the right balance of Republican representation, attempted to contact President Ford. That decision ended a political drought between Postmasters and politicians that had lasted more than five years. The decision has added significance if one remembers that before Postal Reorganization, Postmasters, for more than a hundred years, had been one group of government employees that had most surely participated in the political processes of our nation. Whether the abstention was brought about by the infamous "gag rule" or the sincere desire to abide



***“Over the last five years, the Postal Service has been a classic illustration of wasteful, imprudent, and inefficient management.”***



A call was made to the White House seeking an appointment with President Ford, he was out of the city . . . what of the Vice President . . . he was unavailable. Who could we talk with to explain our position and to offer some solutions to the problems facing the Postal Service? As luck would have it, Rogers Morton, Special Advisor to the President agreed to meet with us.

The meeting between the five representatives of the League and Mr. Morton, accompanied by his aide Mr. Roy Hughes, took place at the White House. The League had ample time to present its position, emphasis being placed on the subject of repeal of the Private Express Statutes being advocated by White House spokesmen. Mr. Morton listened intently, Mr. Hughes made some notes and the two asked a number of questions. The meeting over, the assessment was that we had been received courteously and given an opportunity to enumerate on a variety of postal topics. The Postmasters left with little more encouragement than they had before the visit. There was a promise to discuss the matter with the White House, which, in itself, was at least a beginning. Then came the legislation, the Subcommittee hearings, and the vote. That account has already been given. Suffice it to say that a group of non-believers — Randolph, Hollings, the League and a few courageous Members of the House, like Alexander and others, would not believe the doom-sayers who preached no amendment for fear of the threat of a veto. The legislation became law, Congress adjourned and lawmakers returned home.

In the meantime, the two major political parties had selected candidates for the office of President and Vice President — the Republicans had named Gerald Ford and Robert Dole, the Democrats chose Walter Mondale for Vice President and for

President the former Governor of Georgia, Jimmy Carter. And that begins the second part of our story, a story that began many months before consideration of the postal bill, with the words, “I’m Jimmy Carter and I’m running for President.” That story did not end until the early morning hours of Wednesday, November 3.

During the campaign for the Presidency both parties and their candidates were pressed for statements that would assure Postmasters that proper attention would be directed to the Postal Service. Wherever politicians gathered, Postmasters talked of assistance to the ailing postal system. And then on October 30, 1976, the first major postal statement by either of the candidates was issued. Jimmy Carter, while campaigning in St. Louis, Missouri released a detailed and responsive statement concerning the United States Postal Service. In it he outlined the problems of the Postal Service as he perceived them to be and what initiatives he would take, if elected President, to resolve them. We now reprint the entire text of President-Elect Carter’s statement as information for the more than 700 thousand postal employees of this nation, its Postmasters in particular.

(Please turn Page)







ST. LOUIS, MISSOURI  
FOR IMMEDIATE RELEASE: October 30, 1976

The Republican experiment in postal management is five years old. The American people are now paying higher rates for a lower grade of postal service than they did before Richard Nixon turned the Post Office into the United States Postal Service in 1971. If I am elected President, I will take quick steps to make our Postal Service efficient and dependable once again.

(1) To make the Postal Service publicly accountable, I will support legislation to make the Postmaster General a Presidential appointee, subject to confirmation by the Senate.

(2) I will require that the Board of Governors give more time and attention to the management of the Service, and I will appoint Governors who represent the broad interests of our people.

(3) I will recommend the abolition of the Postal Rate Commission which has 16 executives drawing top salaries but doing very little to earn them. The Commission has completed deliberations on only two rate cases in the last five years. The Board of Governors should take over the job of setting rates.

(4) I will recommend the Postal Service begin a system of executive development. No organization as large and complex as the Postal Service can manage itself successfully over the long run without the careful system of recruiting and training its executives.

(5) I will urge the Postal Service to develop a competent research and development staff to help avoid the costly lessons of trial-and-error management.

(6) We will cooperate with the Study Commission recently created by Congress in recommending improvements in postal service.

(7) I will fully support the moratorium, mandated by Congress, on rate increases and service reductions until the Study Commission has made its findings known.

Postal rates have risen by 63% in the last five years—twice as fast as the overall inflation rate. Even so, the

Postal Service now loses \$250,000 every hour. By the end of this fiscal year it will have spent nearly \$12 billion more than it takes in, and the difference will be made up with our tax dollars. As the rates have gone up, the quality of service has continued to decline. It now takes longer for an average letter to reach its destination than it did five years ago, and there is a greater chance that it will be misrouted or never reach its destination at all.

Nearly 1,500 small post offices have been closed down, denying rural families a center of community activity as well as a link with the outside world. Local mail service has been allowed to deteriorate, and same-day service in downtown areas is a thing of the past. There are fewer collections from corner mailboxes, and the Postal Service is trying to rescind its door-to-door deliveries.

And all the while, the President has failed to act. He has ignored the mounting evidence that service is deteriorating. The Postmaster General had to call the White House six times before he could get an appointment to talk about the financial crisis in his office.



Over the last five years, the Postal Service has been a classic illustration of wasteful, imprudent, and inefficient management. Large amounts of money have gone not to improve day-to-day service, but for salaries and benefits for postal executives. The 167 top executives of the Service draw salaries ranging from \$37,000 to \$58,000. The Postmaster General and his assistants work in quarters which include a kitchen that cost \$44,000, carpeting that cost \$24,000 and a chandelier that cost \$3,000.

#### THE POSTAL SERVICE HAS MADE FOUR BASIC MANAGEMENT MISTAKES:

**FIRST**, it offered large retirement bonuses to experienced officials of the old Post Office in hopes of thinning the ranks. Then it filled the top positions with people



inexperienced in postal management, who soon brought on the mounting costs and deteriorating services we have seen since.

**SECOND**, it compounded the error by investing billions of dollars in equipment and installations without adequate foresight or preparation, leading to a trial-and-error style of management.

**THIRD**, the Service has selected sites for postal facilities without appropriate evaluation leading to inefficient and sometimes senseless routings.

**FOURTH**, the Service's procurement practices have smacked of favoritism and conflict of interest. For example, while Winton Blount was Postmaster General, he promoted a device called the Bulk Mail System. After he resigned from the government, his family firm, Blount Brothers Corporation, received contracts for construction of four bulk mail centers, at a total cost of \$91 million.

The Bulk Mail System is now completed, but it does not work. It damages packages by the millions; at one time, the Chicago facility alone reported more than 3.7 million packages which had been mangled or destroyed.

As the Postal Service has tried to mechanize, it has made one mistake after another. Government investigators report that the whole system is laden with super-

fluous gimmickry—machines too complicated for some tasks, yet not sophisticated enough to keep from damaging the mail.

The Multi-Position Letter Sorting Machine, for example, processes letters so quickly, in fact, that postal employees cannot keep up. As a result, an average of seven out of every 100 letters go to the wrong place.

The Postal Service has fallen into a vicious cycle. As postal rates rise, the volume of mail falls. As volume decreases rates go up yet again. Before the recent United Parcel Service strike, more than half of all parcel post was handled by private carriers.

We must recognize that the Postal Service represents an essential public service for many people in our country. The ability to communicate through the mails must not only be sustained, but also improved. This I pledge to do.

On the 20th day of January, 1977, President-Elect Jimmy Carter will become the 39th President of the United States. Our prayers are with him in the performance of the pledge he takes on that day. Likewise, we offer our prayers and assistance in the fulfillment of his pledge on October 30, 1976.

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*The text of the Carter release is reprinted as it appeared in the American Postal Workers Union News Service, official publication of that organization.*



THE WHITE HOUSE  
WASHINGTON

June 7, 1977

Frank Moore  
Stu Eizenstat

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

cc: Hamilton Jordan

Re: Proposed Letters to Members  
of Congress on Water Projects



THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

	MONDALE
	COSTANZA
X	EIZENSTAT
X	JORDAN
	LIPSHUTZ
X	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE WHITE HOUSE  
WASHINGTON

June 6, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *FM*

Sending the letters will cause an uproar with Bizz Johnson, Jim Wright, etc. but we need a base-line vote for sustaining a possible veto.



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 6, 1977

*Stu - Frank  
ok  
J*

MEMORANDUM FOR

THE PRESIDENT

FROM

*Stu*  
STU EISENSTAT and FRANK MOORE *F.m.*

SUBJECT:

Proposed Letters to Members of Congress  
on Water Projects

The floor fight on the water project appropriations will occur on June 13. We will be supporting an amendment which embodies your recommendations. Sponsors will be firmly identified later today. We are working at a minimum to demonstrate that a veto can be sustained.

To that end, it is important to solidify our support among Members of Congress who have already indicated they are leaning with us. On February 14, you received a letter from 63 Members of Congress and 11 Senators asking you to review and trim unnecessary water projects, and on April 27, 143 House Members voted to cut \$100 million from the Budget target for water projects.

We propose that you send individual letters to these House Members asking for their continued support. Drafts are attached.

Attachments

**Electrostatic Copy Made  
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DRAFT LETTER TO SIGNERS OF FEBRUARY 14 LETTER

Dear :

On February 14, you and 62 of your colleagues in the House of Representatives sent me a letter asking me to review environmentally and economically questionable water resource projects in a serious effort to trim the waste of tax dollars on unnecessary projects.

After a thorough review of ongoing water projects, I recommended to the Congress on April 18 that 18 projects not be funded and 5 be modified to reflect budgetary and other considerations. These recommendations would save nearly \$200 million in FY78 and \$4 billion total. The review process was comprehensive and fair, and I stand fully behind my recommendations.

The House Appropriations Committee has now reported out for your consideration a bill which funds most of the projects I recommended against, and adds money for over 50 additional projects for which we did not budget at all.

I cannot stress enough the importance of holding down unnecessary spending so that we are able to fund adequately our most critical national needs.

I personally appreciate your assistance in this effort.

Sincerely,



DRAFT LETTER TO "AYE" VOTES ON MILLER-EMERY AMENDMENT

Dear :

On April 27, you and 142 of your colleagues in the House of Representatives voted to trim the Budget target by \$100 million for spending on unnecessary water resource projects. You and I share the same concern that we eliminate needless spending in this area.

On April 18, after a thorough review of ongoing water projects, I recommended to the Congress that 18 projects be deleted from funding and that 5 be modified. This action would save the American taxpayer almost \$200 million in FY78 and about \$4 billion overall.

However, the House Appropriations Committee has reported out a bill for your consideration which funds nearly all of these projects. In addition, funds have been added for planning and construction starts on over 50 additional projects.

If wasteful spending is to be curtailed and necessary programs financed, we will need to work together to eliminate needless and counter-productive projects. I personally appreciate your assistance in this effort.

Sincerely,

---

THE WHITE HOUSE  
WASHINGTON

June 7, 1977

Z. Brzezinski

The attached was returned in  
the President's outbox and is  
forwarded to you for your  
information.

Rick Hutcheson

Re: Reporting Cables from  
Mrs. Carter



MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 7, 1977

Good  
I

MEMORANDUM FOR THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *ZB.*  
SUBJECT: Reporting Cables from Mrs. Carter

As of today, we have received memoranda of conversation on Mrs. Carter's discussions in Jamaica, Costa Rica and Ecuador. Thus far, there have been no reports from Peru or Brazil (the first meeting in Brasilia is taking place now).

The Situation Room talked with personnel accompanying Mrs. Carter in Brasilia to determine why there had been no reports on the Lima discussions. According to those in Mrs. Carter's party, while a draft of the Peru meetings had been prepared, it was poorly done and redrafted. The second draft is now ready and the party expects to transmit it from Brasilia this morning.\*

\* Hope to have it for you by lunch time. I have instructed the delegation to give you a daily wrap-up, to be followed by a memcon.

THE PRESIDENT HAS BEEN

THE WHITE HOUSE

WASHINGTON

June 7, 1977

MEMORANDUM TO THE PRESIDENT

FROM: JIM FALLOWS AND ACHSAH NESMITH

SUBJECT: Free Enterprise

Sometime soon, in light of the Republican energy view but certainly not in direct answer to it, you might want to tell an appropriate forum that you do not intend to let them turn the "free enterprise system" into a code word or synonym for "big oil companies."

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THE WHITE HOUSE  
WASHINGTON

June 7, 1977

Stu Eizenstat  
Jim Fallows

The attached was returned in  
the President's outbox and is  
forwarded to you for your  
information.

Rick Hutcheson

Re: Tax Reform

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
X	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
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	CARP
	H. CARTER
	CLOUGH
X	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE



THE PRESIDENT AND VICE PRESIDENT

THE WHITE HOUSE

WASHINGTON

June 6, 1977

To Stu  
J

MEMORANDUM FOR THE PRESIDENT -- Information

FROM: JIM FALLOWS *JF*

SUBJECT: Tax Reform

What I know about our tax reform plans is what I heard at the second meeting and what I've learned from those who attended the first. That may be too scanty a base to justify concern, but at this point I am worried about how we will be able to present this plan to the public.

Two episodes from the campaign illustrate my concern:

I. The first is the way in which you used to describe your plans for tax reform. The tax system was nothing less than a disgrace, you said; therefore, if we hoped to reform it, our plans must be comprehensive, total, sweeping, and bold.

I don't think I was the only one who deduced that this meant a from-the-ground-up reworking of the tax system. It suggested what we might call a "zero-based" approach to tax reform -- one which started from the assumption that there should be no special provisions, "loopholes," exclusions, and incentives, and then added only those provisions we were clearly convinced we needed. One of the virtues of zero-based budgeting, as you know, is that it gives you some hope of getting a fresh start with budgets that have grown beyond logic or control through many years of slow expansion. The tax code is just as tangled a product of slow growth, and you implied that you would start over with it too.

As far as I can tell, that is not what we are doing. Instead, our starting point is the list of exceptions in the current code; from there, we are deciding, in each case, whether we can get the Congress to change it.

I recognize three advantages of this approach: it gives us a clear view of how much each current "tax expenditure" costs; it helps us understand the precise impact of each change; and it forces us to be realistic about dealing with the Congress. But I also think that it builds in a bias toward incremental, marginal, partial change that is not in keeping with your campaign statements. The question you suggested we would ask

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about the tax code is "What should we have?" When we work from the "tax expenditure" list and concentrate on the political geneology of each clause, we end up asking "Can we get Ullman and Long to buy this change?"

I recognize that if we can't deal with the Congress we will not get anywhere. But I am afraid that if we confine the battle to Congress' familiar terrain, we will be handicapped there while also disappointing the public.

There is one of our campaign statements that will sound particularly awkward if we have a cautious reform plan. "All my life I have heard promises about tax reform," you said in your acceptance speech at the Convention. "But it never quite happens. With your help, we are finally going to make it happen. And you can depend on it." I grant that the current proposals has many attractions; it is a big step forward over what's in the law now. But I don't think it is so different, in its fundamentals, from plans proposed before that it can sustain claims like that one. It may be that economic wisdom demands this plan; if so, we must pay careful attention in your speeches to explaining how we got there.

II. The second episode is the uproar over your campaign statements on the home-mortgage deduction. Everyone could count the dollars his family would lose; no one could see the advantages of the many other reforms that would accompany this change. The point, of course, is that unless you can clearly demonstrate the effects of an over-all change, people will not look past the immediate personal threat.

I think the energy program also illustrates this case. In the beginning, your speeches suggested that the over-all change was so dramatic and important that people should put up with inconveniences. Everyone would be sharing the burden, and the result would be to save ourselves from catastrophe. But the very moderation and balance of the plan may be turning out to be a disadvantage; many people now seem to think that if the over-all change is so slow and undramatic, there's no reason to put up with such inconveniences as a gasoline tax.

In its current form the tax reform plan contains some measures that will sound threatening to large numbers of people -- the Social Security exemption, for example. Unless we can convincingly demonstrate that the total effect of the plan will be major and progressive -- even through such gestures as getting rid of the deduction for country-club dues -- I am afraid we'll get the same reception we got during the campaign.

I am not an expert in taxes, but I believe we should start now to measure this plan against the expectations we have built up.



C  
THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

June 6, 1977

GREETING AND PHOTO SESSION WITH THE PAUL LANDRY FAMILY

Tuesday, June 7, 1977  
12:15 p. m. (5 minutes)  
The Oval Office

From: Greg Schneiders *Greg*

I. PURPOSE

To greet Paul and Vicki Landry and their 9 children, of New Hampshire, during their visit to Washington.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: The request for this appointment came from Paul Landry. This is primarily a courtesy call; however, Paul may mention to you his thoughts on the implementation of a volunteer program to improve the delivery of government services to the public.
- B. Participants: The President  
Paul Landry  
Vicki Landry  
John (Jack) - 17  
Peter - 16  
Lisa - 14  
Mark - 14  
Margaret (Marti) - 12  
Paul - 11  
Amy - 10  
Anne - 5  
Elizabeth - 18 months
- C. Press Plan: White House Photographer

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C

THE WHITE HOUSE

WASHINGTON

June 6, 1977

MEETING WITH SENATOR CHARLES McC. MATHIAS

Tuesday, June 7, 1977

1:30 p.m. (15 minutes)

Oval Office

From: Frank Moore

I. PURPOSE

To discuss the Senator's recent trip to Israel, Turkey and Greece.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: In April of this year, the Senator visited Turkey, Israel and Greece. The initial invitation was extended to Senator Mathias by the Turkish Atlantic Treaty Association which is the organization that covers Turkey's involvement with NATO. The Senator stopped in Israel, at his own initiative, on the way to Turkey and met with Mr. Peres, Acting Prime Minister; Mr. Allon, Foreign Minister; Mr. Aba Eban, former Foreign Minister; and Mr. Ezer Weizmann, Mr. Bagin's #2 man in the Likud Party. The Senator also stopped in Greece on the way back to the United States. The Senator tried to put his impressions of his trip in writing to you, but was unable to do so adequately. He, therefore, requested this meeting through Dr. Brzezinski.

B. Participants: The President  
Zbigniew Brzezinski  
Senator Charles McC. Mathias (R-Md.)  
Casimir Yost, Legislative Assistant  
to Senator Mathia for Foreign  
Affairs  
Frank Moore  
Dan Tate

C. Press Plan: White House Photo Only.

III. TALKING POINTS

None necessary (as per Dr. Brzezinski)

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X



THE WHITE HOUSE  
WASHINGTON

June 7, 1977

To WADE WATKINS

IT WILL BE NICE TO  
SEE YOU, YOUR MOMMY,  
AND YOUR SISTERS.

MR. KRAFT WILL CALL  
YOU.

YOUR FRIEND,  
Jimmy CARTER

cc: MR KRAFT  
CONG. WATKINS

Dear President Carter  
when you were in A.D. 1900,  
I was in ~~school~~ school  
but you told my 2  
sisters I could come  
to the white house  
to see you

Well I am in Washington  
D.C. for all of June  
& July and

hope you set a  
time

when I can

come see you

Tim -  
This is Wes's  
little son -  
call him  
J

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THE WHITE HOUSE

WASHINGTON

June 6, 1977

PHOTO SESSION WITH REP. JOHN JENRETTE (D-SC 6)  
AND GENE DALTON, PRESIDENT, LEAGUE OF POSTMASTERS

Tuesday, June 7, 1977

9:00 a.m. (5 minutes)

The Oval Office

From: Frank Moore

I. PURPOSE

Photo session with Rep. John Jenrette (D-SC 6) and Mr. Gene Dalton, President of the League of Postmasters, who will be accompanied by Allen Lanier, Editor of League of Postmasters magazine, and Seymour Oresky, a photographer with League of Postmasters magazine.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: Rep. Jenrette requested this appointment. Mr. Dalton is President of the League of Postmasters, which is an activist association of postmasters representing the majority of rural and small urban post offices in the country.

B. Participants: Rep. John Jenrette, Gene Dalton, Allen Lanier, Seymour Oresky, Frank Moore, and Jim Free.

C. Press Plan: Photo session.

III. TALKING POINTS

General courtesies.

NOTE: Gene Dalton is Branson Dalton's son, who was from Homer, Georgia. Branson worked with you on the State Planning Commission. You may remember that he was an early and strong supporter, who died quite suddenly.

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for Preservation Purposes

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: HAMILTON ~~JORDAN~~ *HJ*  
DATE: JUNE 7, 1977  
SUBJECT: YOUR MEETING TODAY WITH  
SOUTHERN BAPTIST LEADERS

As you know, many of the Senators with swing votes on the Panama Canal and SALT are from Southern states.

You may want to bring up these two issues with the Southern Baptist leaders today and ask their support for your positions. If they are interested, I will be happy to meet with them further to discuss how they can help.

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for Preservation Purposes**



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

Luncheon Meeting with  
Southern Baptists  
Tuesday, June 7, 1977  
Roosevelt Room  
12:30 p.m.  
(45 minutes)

(by: Fran Voorde)

I. PURPOSE: to discuss the recommendations of the  
Missions Challenge Committee, Southern Baptist  
Convention.

II. BACKGROUND, PARTICIPANTS, PRESS:

A. Background: The Missions Challenge Committee  
was established in June, 1974 at a  
Southern Baptist Convention meeting  
in Dallas to examine the condition of  
the Missionary effort of the Church.

A Report was issued in January, 1976.  
It is divided into three sections:

1. "Southern Baptist Mission  
Work in the Next 25 Years"
2. "Southern Baptist Denominational  
Cooperation in Missions"
3. "Southern Baptist Commitment  
and Involvement in Missions".

The full report is attached for your  
perusal. RECOMMENDATIONS are at pp. 63-64

You recently mentioned some of your  
ideas to Fred Gregg. Mr. Gregg felt they  
tied in nicely with some of these  
recommendations and thought a luncheon  
meeting with some of the Southern Baptist  
leaders would be helpful. You agreed.

B. Participants: Attached List

C. Press: White House Photographer.

*The Southern Baptist*

# MISSIONS CHALLENGE

The Report of the  
**MISSIONS CHALLENGE COMMITTEE**  
of the Southern Baptist Convention

1976

For the full text of this publication  
please contact the Jimmy Carter  
Library



C

THE WHITE HOUSE

WASHINGTON

June 6, 1977

MEETING WITH CONGRESSMEN ON RICHARDS-GEBAUR AFB

Tuesday, June 7, 1977  
2:00 p.m. (15 minutes)  
The Cabinet Room  
From: Frank Moore *FM*

I. PURPOSE

To present their case for Richards-Gebaur Air Force Base.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: On May 24, 1977, the Secretary of the Air Force announced the decision to transfer the Air Force Communications Service from Richards-Gebaur Air Force Base, Missouri, to Scott Air Force Base, Illinois. (See attached fact sheet on the closure.) This proposed move has caused considerable controversy in the Kansas City area and the Department of Defense; and there is great concern over the adverse economic impact it would have on this area.

We hope that this will be the last meeting on base closings. A commitment was made to Senator Eagleton after the Inauguration that, if this base was closed, we would let the Senator bring in some of the local officials to express their viewpoints on this matter.

- B. Participants: The President  
Senator Thomas Eagleton (D-Mo.)  
Senator John Danforth (R-Mo.)  
Senator Robert Dole (R-Kans.)  
Rep. Ike Skelton (D-4th-Mo.)  
Rep. Richard Bolling (D-5th-Mo.)  
Rep. E. Thomas Coleman (R-6th-Mo.)  
Rep. Larry Winn, Jr. (R-6th-Kans.)  
Mayor Charles Wheeler of Kansas City  
Mayor Bill Holder of Belton, Missouri  
Mike White, County Executive of Jackson County, Missouri  
Charles E. Curry, representative of the Kansas City Chamber of Commerce  
Frank Moore  
Dan Tate  
Bill Cable

- C. Press Plan: White House Photo Only.

III.

TALKING POINTS

- A. Senator Eagleton has known about this base closing for some time now and has been most cooperative with announcements and other matters relating to this matter.
- B. Tom, you are one of my best friends in the Senate. If I could have done anything to help, I would have; but I had to back Secretary Brown in his decision.



June 6, 1977

FACT SHEET  
CLOSURE OF RICHARDS-GEBAUR AFB, MISSOURI

Description of Announced Actions

On May 24, 1977, the Secretary of the Air Force announced the decision to close Richards-Gebaur AFB, Missouri, and to transfer HQ Air Force Communications Service (AFCS) to Scott AFB, Illinois. All facilities, except those required for the 442nd Tactical Airlift Wing (Air Force Reserve) will be reported to the General Services Administration (GSA) for disposal and civilian reuse.

On November 22, 1974, a similar decision to move AFCS to Scott AFB was announced, but later enjoined by a series of law suits under the National Environmental Policy Act (NEPA). Air Force has complied fully, including public hearings, and now proposes to move the HQ AFCS, as a major command, to Scott AFB. This action will result in a significant reduction in headquarters support costs without degradation of communications service. The move will occur during the summer of 1977.

The flight line and related support facilities required for the Air Force Reserve at Richards-Gebaur will be maintained by a cadre of about 200 people, either civil service employees or contractor personnel, whichever proves to be the more economical.

History of Actions

- 11 March 1976 - Public announcement on proposed base closures.
- 25 June 1976 - Draft Environmental Impact Study (EIS), followed by public hearings at candidate and alternative base closure sites.
- 12 January 1977 - Final EIS filed. A decision package now is being processed. Considerations included in the decision package are Air Force resources, manpower and operational impacts as well as environmental and local economic impacts.
- 25 March 1977 - Air Force decision to OSD for approval.

- 1 April 1977 - Meeting between Secretary Brown and Senator Eagleton including other DOD, Congressional and local delegation representatives.
- 24 May 1977 - SecAF announced decision alluded to above. Also filed Section 612, P.L. 94-431, Report to the Congress.

#### Cost Effects of the Action

One-Time Cost (Air Force)	\$13M
One-Time Cost Avoidance	\$ 6M
Recurring, Annual Cost Avoidance	\$19M

We have identified one-time cost to the Air Force of \$13 million which will be partially offset by the one-time cost avoidance of \$6 million, leaving a net cost of \$7 million. The ultimate recurring annual cost avoidance of \$19 million, which has been verified by a GAO report, will be fully achieved in about three years. The actual cost savings to be accrued during the first and second years have not been identified because of many variables and unknowns, such as phase-out of personnel and support functions, magnitude of severance payments, progress related to real and personal property disposals, etc. Based on past experience, it is reasonable to assume that the first-year cost savings would be minimal. The projected savings in future years fully support the economic feasibility of this action.

#### Manpower Savings

Military - 835; Civilian - 708

#### Impact to Other Agencies

An estimated cost of \$28.7 million to other agencies was provided by the affected government agencies. Although the primary consideration is the requirements of Defense, even taking these other costs into account, the decision is economically justified. (There has been much disagreement over the amount of this impact especially as regards the Homeowners Assistance Program. The community representatives consider this impact to be grossly understated; however, the \$28.7 million is a compilation of impacts provided by the affected agencies and is considered the best estimate available. Included in this \$28.7 million is \$7 million associated with the Homeowners Assistance Program chargeable to other DOD appropriations.)



### Selection of Candidates for Closure

Richards-Gebaur does not have assigned a major active flying mission; its primary purpose is support of the administrative Headquarters, Air Force Communications Service. This base was selected for closure because the HQ AFCS can be accommodated, though with some temporary disadvantage to people considerations, on Scott AFB.

### Socioeconomic Impact to Surrounding Community

A number of social and economic problems will present themselves. Most notable will be the reduction in local expenditures resulting in secondary job losses and a weakening of the economic stability of a number of local institutions. In addition, there will be a significant impact on the local housing market in terms of decreased value, construction activity, and rental income. The impacts will probably delay, for at least a short time, current progress in improving the employment and economic situation. Experience indicates, however, that such adverse effects in a regional economy such as Kansas City will be comparatively short-lived.

### Other Federal Actions Planned

The Department of Defense will work closely with the other Federal agencies and the local community in a special effort to secure placement in new jobs and mitigate socioeconomic impacts. A visitation by the Office of Economic Adjustment and Air Force representatives to meet with local community leaders will be made at an appropriate time.

### Local Actions

Jackson County has stated to the local press its intention to take further legal actions against the Air Force.

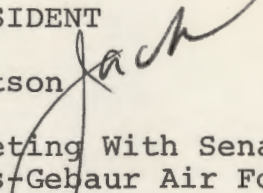
### Congressional Interest

This action has been the subject of intensive interest by members of the Missouri and Kansas Congressional delegations, the Governor of Missouri, local community groups, etc. Senators Eagleton and Dole, and of late, Governor Teasdale, have been especially active in this matter.

THE WHITE HOUSE

WASHINGTON

June 6, 1977

MEMORANDUM TO: THE PRESIDENT  
FROM: Jack Watson   
SUBJECT: Your Meeting With Senator Eagleton Regarding  
Richards-Gebaur Air Force Base Closing

I have spoken with Frank Moore about your meeting with Senator Eagleton tomorrow and understand from Frank that the meeting was promised some time ago. I have said to Frank, and think he agrees, that it is not a good idea for you to meet with Congressional and state and local officials who are seeking reversal of a "final" Department of Defense decision. Each time you have such a meeting, it is harder for you to refuse the next request that you act as a "court of last resort."

Attached are letters that I have just written to Senators Dole and Danforth in response to their recent letter to you protesting the closing of Richards-Gebaur Air Force Base.

I think it is best for us to keep you out of this process as much as possible. I recommend that you emphasize with Senator Eagleton the Department of Defense's very successful economic adjustment assistance program, and that you assure him that all available impact assistance will be forthcoming.

As mentioned in my weekly report, we hope to have some recommendations for an overall strategy on these issues to you soon. I am confident that there are things we can do which would diminish greatly the constant political hassles over realignments.



THE WHITE HOUSE

WASHINGTON

June 6, 1977

Dear Senator Dole:

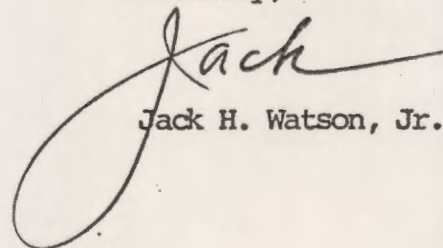
The President asked me to respond to your recent letter to him concerning the decision of the Department of Defense to close Richards-Gebaur Air Force Base.

The Secretary of Defense makes decisions on military installations only after long and careful review of the matter. Before a final decision was reached and announced in this case, public hearings were held and an Environmental Impact Statement was prepared. Charles Duncan, Deputy Secretary of Defense, would be happy to review the decision-making process, as well as the reasons for the decision, with you at your convenience.

Please be assured that the Office of Economic Adjustment (OEA) will do everything possible to assist the Kansas City area in developing a reuse plan for the base so that any economic hardships caused by the realignment will be mitigated as much as possible. OEA's success in jobs replacement is impressive, and its work in overall economic adjustment has been very effective.

Thank you for writing.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jack", with a large, sweeping loop extending from the end of the signature down and to the left.

Jack H. Watson, Jr.

The Honorable Robert Dole  
United States Senate  
Washington, D. C. 20510

THE WHITE HOUSE

WASHINGTON

June 6, 1977

Dear Senator Danforth:

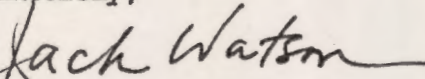
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THE WHITE HOUSE  
WASHINGTON

Cannon Do we need Triad?  
Goldwater never tested ICBM  
accuracy  
McMahon Election fear - JC pro  
defense?  
Pub reaction negative if  
B1 cancelled

THE WHITE HOUSE  
WASHINGTON

Pro B-1  
6/7/77

Stratton Sketch 7111  
Manned bomber - 50% Thaw  
ways  
Stennis Delay - Sen amend.?  
not 244  
ECM end '79  
B52 → 90's 6 EH  
Allevanta Ark - Combine B-1 Tanker  
Cn's - 35/mo  
Johnston Take off time  
Brinkley Public conception  
SRAM/Conventional  
ICBM cost > B1  
Crawston White in Calif  
Hollings Supp. study = 15% in Triad  
Tested thoroughly  
Watkins Dension & diff. factors  
Heavy ground defense in 1975 R

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THE DOCUMENT HAS BEEN SEEN.

C

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THE WHITE HOUSE  
WASHINGTON

June 6, 1977

MEETING WITH PROPONENTS OF THE B-1 AIRCRAFT

Tuesday, June 7, 1977  
9:15 a.m. (30 minutes)  
Cabinet Room

From: Frank Moore

I. PURPOSE

To give the proponents of the B-1 aircraft the opportunity to present their views.

II. BACKGROUND, PARTICIPANTS, & PRESS PLAN

- A. Background: The FY 77 B-1 budget request as finally signed into law limited B-1 expenditures to a maximum cumulative average of \$87 million per month until February of 1977. In recognition of the need to provide adequate time for the new administration to review the B-1 program, the Air Force restructured the contracts and extended the restriction on the monthly expenditure rate to June 30, 1977, in order to minimize termination costs in the event it was decided to cancel the program.

Our amended FY 78 budget request reduced the FY 78 B-1 procurement from 8 aircraft to 5 aircraft (reduction of \$280 million from original 78 request). To date, our FY 78 B-1 authorization request has been approved by both the House and the Senate. The House Appropriations Defense Subcommittee has acted favorably on the request, and we anticipate favorable consideration from the Senate Appropriations Committee. Contrary to previous years, we have not seen a floor fight on the B-1. It appears that the opposition, recognizing the history of Congressional approval, is focusing on influencing your decision as their best hope.

- B. Participants: The President; Reps. Bill Alexander, Jack Brinkley, Sam Stratton, George Mahon, Wes Watkins, and Marjorie Holt; Senators Barry Goldwater, Alan Cranston, Ernest Hollings, Howard Cannon, John Stennis, and Bennett Johnston; Frank Moore, Dan Tate, Bill Cable.
- C. Press Plan: White House photographer.



C  
THE PRESIDENT HAS SEEN.

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III. TALKING POINTS

This is the first of two meetings to hear the view of the proponents and opponents of the B-1 aircraft prior to reaching a decision. The purpose of the meeting is to give the Members the opportunity to present their views to you and feel that you have listened to their thoughts. (Initially, 75 members of the House requested a meeting to discuss their opposition to the B-1 and Senator George McGovern asked for a similar meeting for Senate opponents.)

Attached are questions and several talking points suggested by the Department of Defense Legislative Affairs Office.



TALKER

With respect to the B-1, I will have to decide what to do fairly shortly. A lot of questions have occurred to me in that connection, and I'd like to share some of them with you now. I'd like to have the benefit of your thoughts on them as a help to me in coming to a decision.

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SALT

- To what extent should we rely on favorable outcomes of the SALT negotiations?
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- How are these two alternative approaches related?
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HEDGING

- How serious is the Soviet threat to our Minuteman silos, both now and in the future?
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As a Deputy Whip for the House Democrats, he is knowledgeable of the general support within the House for the B-1 program. He has a B-52 bomber base within his district and understands the need to modernize the bomber force.

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 7, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *J-M*

I had a chat with Senator John Stennis after the B-1 bomber meeting this morning which parenthetically was very good and timely. He used a lot of your valuable time, but it will pay off when the decision comes.

Senator Stennis asked that you not send for him on water projects. He would like to be able to argue with his colleagues that he has not talked with the President on water projects. He says he is with us and trying to fight them. He would welcome a secret meeting with me with a list. They start markup tomorrow. I will give you a report on the meeting.

The second thing he said is that considerable opposition developed among TVA Senators against Freeman--even those who have no candidate of their own.

cc: The Vice President  
Hamilton Jordan

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THE WHITE HOUSE  
WASHINGTON

June 7, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: JIM SCHLESINGER JS

SUBJECT: Talking Points Concerning Alaskan Energy Issues  
for Meeting with Alaskan Governor Hammond

I. OIL ISSUES

A. General Concern

-- Because of the revenue implications, the State of Alaska is interested in moving as much oil as soon as possible at the highest possible wellhead price from Alaska's North Slope.

B. Pipeline Tariff

-- Recent pipeline owner filings with the Interstate Commerce Commission proposing a pipeline tariff of \$6.00 and more for moving a barrel of oil from the North Slope to Valdez is of deep concern to the Alaskan Government. From the point of view of the State of Alaska, the higher the pipeline tariff, the lower the wellhead revenues and the lower Alaska's share of those revenues. The State will surely intervene before the ICC, insisting that some of the cost overruns of the pipeline not be included in the tariff calculations, and will probably ask that the Federal energy establishment do the same. The lower the transportation costs associated with systems for moving Alaskan oil to the markets where it is needed, the higher the State of Alaska's royalty revenues.

C. Lower 48 Transportation Systems

-- Over the long term, the State of Alaska is very much concerned that permanent West-to-East pipeline transportation systems be built to move excess Alaskan crude from the West Coast to the refining markets inland so as to assure a constant flow of oil production.



-- In the short-term, until such systems can be built, the options include swaps with the Japanese; tanker shipments through the Panama Canal; or shutting-in production. Since swaps with the Japanese provide the lowest transportation costs, they also result in the highest wellhead prices and are favored by the State of Alaska for the short run.

A summary of both the long-run and the short-term transportation options follows:

1. Short-Term Options

- a. Ship Alaskan North Slope crude oil to Japan, in exchange for crude oil Japan is now receiving from the Persian Gulf.
  - o This decision would require Presidential findings that export of the oil:
    - will not diminish total quantity or quality of petroleum in the U.S.
    - is in the national interest
    - is in the accord with the Export Administration Act.
  - o Congress may override President's decision within 60 days.
  - o New legislation -- House/Senate Conferees recently agreed upon an amendment to the Export Administration Act following such an exchange only if Congress agrees with Presidential findings in favor of such an exchange.

- b. Shipment of Alaskan North Slope crude oil from Valdez, Alaska through the Panama Canal to the Gulf Coast.
    - o Oil can be used by Gulf Coast refineries to displace imports, but the transportation cost is at least \$1.00 per barrel more than the Japanese swaps.
    - o The oil could also be used to displace oil from Texas which could be redirected to refineries serving Midwest and Northern Tier areas.
  - c. Shutting-in production until surplus can be absorbed.
    - o This would be a financial disaster for North Slope producers, pipeline owners and the State of Alaska.
2. Long-Term Options
- a. Southern Route
    - o Sohio plans to construct a marine terminal at Long Beach, California and a pipeline connection to an existing but unused Southern California Gas Company natural gas line that runs over the Rockies to Texas.
    - o Status of project:
      - (Federal) Final Environmental Impact Statement expected momentarily. Requires 30-day review period and then federal permitting action may begin.
      - Federal Power Commission proceeding for abandonment of El Paso natural gas line is on schedule. The Administrative Law Judge issued a preliminary decision granting abandonment pending submission and consideration of environmental data. Final decision to be made by September 1, 1977.



- Environmental Protection Agency permit to construct and operate new source of air emissions is awaiting state action.

The California Air Resources Board, currently considering permit requirements, has major objections to the project as originally planned. FEA's Alaskan Oil Project Coordinator is working closely with the state and Sohio to mediate differences and facilitate issuance of these permits.

b. Northern Pipeline Routes

1. Kitimat Pipeline

- o Pipeline would be constructed from Kitimat, British Columbia, to Edmonton, Alberta, connecting with the existing Inter-Provincial and Lakehead Lines and serving Northern Tier states as well as Chicago and eastern Canadian markets.
- o Status now in suspense; Kitimat backers have asked the National Energy Board to suspend consideration of their application pending the outcome of an Arco proposal to reverse an existing oil line.
- o This request resulted from environmentalists opposition; the application may be reactivated if the Arco proposal fails.

2. Trans-Mountain Reversal (Arco)

- o Would require expansion of Arco's Cherry Point, Washington marine terminal, and reversal of the Trans-Mountain Pipeline from Cherry Point to Edmonton and then on to Chicago through existing lines.
- o Proposal is violently opposed by Washington State environmentalists, its Congressional delegation, and probably its legislature because of the location of the terminal deep within Puget Sound.

3. Northern Tier Pipeline

- o Would be constructed from a marine terminal to be built at Port Angeles, Washington (outside the Sound) to Clearbrook, Minnesota.



## II. ALASKAN NATURAL GAS

### A. Process

-- The Alaska Natural Gas Transportation Act (ANGTA--PL 94 586) established a process for reaching a decision on an Alaska gas transportation system: the Federal Power Commission (FPC) completed its recommendations on May 1, 1977, Executive agencies and other interested parties are to comment July 1, and your decision is to be sent to the Congress on September 1.

### B. Systems

-- There are three systems competing for bringing the gas from Alaska to the lower 48 States. One is an all-American route sponsored by the El Paso Pipeline Company, which would follow the same corridor as the oil pipeline, liquify the gas, ship it in tankers to the West Coast, and re-gasify it in California to be distributed to the rest of the Nation through the interstate pipeline system. Two other projects propose an overland pipeline route through different parts of Canada bringing the gas directly via pipeline to both the Middle West and the West Coast. Pursuant to the requirement in the Alaskan Natural Gas Transportation Act, the FPC recommended to you on May 1 that a trans-Canada route be constructed, but split on which of the alternatives should be chosen.

### C. Alaska's Position

-- The State of Alaska is very much interested in seeing the El Paso all-American route chosen by you because of the impact on employment and economic development such a proposal would have in Alaska. The Artic Gas Project, which would run across the North Slope of Alaska directly into Canada, would have very little of its actual construction within the State of Alaska. The other overland route would run along the Alaska Oil Pipeline until it reached the Alcan Highway, and then move through Canada. This proposal provides somewhat more activity within the State of Alaska, but not nearly as much as the El Paso proposal.

#### D. Future Directions

-- At your direction, we have begun to coordinate the required comments of the Executive agencies on the FPC recommendation. Interagency working groups have been established for each of the considerations listed in the Act: environmental, safety, international relations, national security, financing, impact on competition, national economic impact, and national energy policy. Working group reports will be reviewed by a steering group consisting of my staff, the Domestic Council staff, the Vice President's Office, the Council of Economic Advisors staff, and OMB. These reports will be made public on July 1, and we contemplate some type of public hearings process in early July leading to a recommendation to you.

-- The ANGTA also allows for comments from State Governors and other interested parties no later than July 1. We have just sent letters to all of the Governors, with a special inquiry to Governor Hammond, soliciting their comments, and have prepared a Federal Register Notice asking for comments from others.

-- Our decision may depend to a large extent on the Canadian decision making process. The National Energy Board will make recommendations to the Cabinet in early July. Reports on environmental and social impacts are due about August 1. The Government will then make a decision that should be coincident with ours. A parliamentary debate is scheduled for late July.

-- Accommodation of American interests is a very sensitive political issue in Canada. Immediately after the FPC's May 1 report, a Canadian Commission (the Justice Berger Commission), investigating social and environmental impacts of a Mackenzie Valley pipeline project, recommended a 10-year delay. The report has been given considerable press attention, but it is too early to tell how much the report has affected the Canadian Government's thinking. We expect to work closely with the Canadians in early August toward a final determination on the possibility of a joint venture.



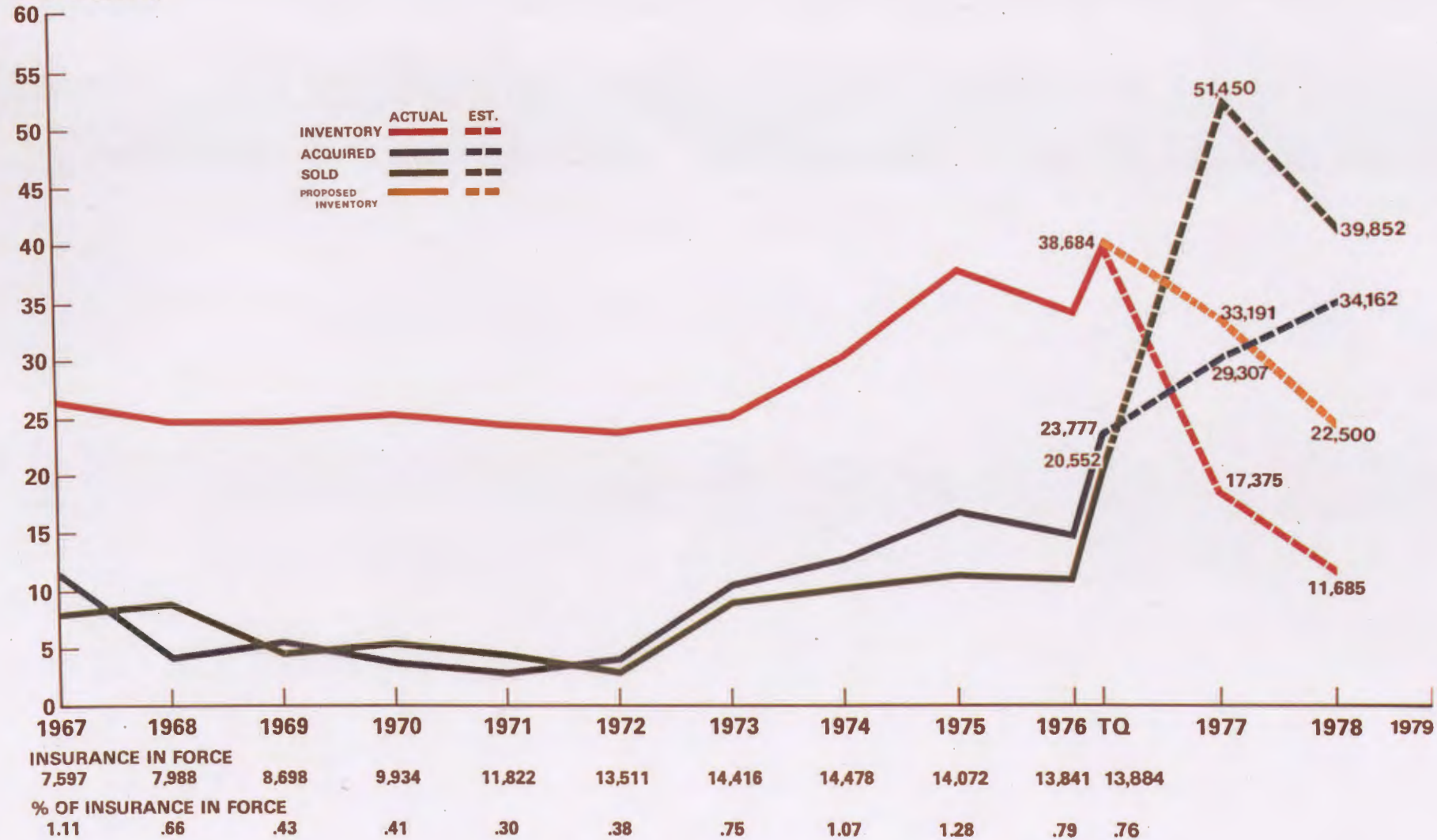
-- Governor Hammond will argue that notwithstanding a positive decision from the Canadians for a joint overland route, the El Paso Project makes more sense because it will result in the spending of more money within the United States and will not be subject to the whims of a foreign government for a vital energy transportation link.

-- You may want to note that his concerns will be taken into account in the analysis provided to you for meeting your September 1 decision, and that you will weigh these arguments carefully as you act as the final judge prior to final Congressional review.



# ACQUIRED MULTIFAMILY PROPERTIES FY 67-FY 78

UNITS (000's)



# Crude Supply Alternatives for Disposition of Alaskan Oil







FIGURE I





PROPOSED ARCTIC NATURAL GAS DELIVERY SYSTEMS

-  ARCTIC GAS PROJECT
-  EL PASO TANKER PROPOSAL
-  ALCAN PIPELINE PROPOSAL
-  MAPLE LEAF PIPELINE PROPOSAL  
(required for delivery of Canadian  
Mackenzie Delta gas if El Paso  
Proposal or Alcan Proposal were  
selected)



THE WHITE HOUSE  
WASHINGTON

June 7, 1977

Stu Eizenstat

The attached was returned in the  
President's outbox and is forwarded  
to you for your information.

Rick Hutcheson

Re: New Directions for HUD  
Under Carter Administration

THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE



THE PRESIDENT HAS SEEN.

Stu  
J

NEW DIRECTIONS FOR HUD UNDER  
CARTER ADMINISTRATION -- BASIC PHILOSOPHY

PURPOSE OF THIS PAPER IS TO PRESENT THE MAJOR DIRECTIONS HUD PROPOSES TO TAKE UNDER THE CARTER ADMINISTRATION. THESE DIRECTIONS DO NOT REQUIRE SPECIFIC FUNDING LEVELS BUT WILL HELP PROVIDE GUIDANCE IN THE DEVELOPMENT OF THE BUDGET.

I. CENTRAL THRUST OF HUD'S POLICIES SHOULD BE THE  
REVITALIZATION OF URBAN AREAS

- PRESERVE EXISTING NEIGHBORHOODS USING SUBSIDIES FOR EXISTING HOUSING, URBAN HOMESTEADING, REHABILITATION PROGRAMS, AND NEW CONSTRUCTION.
- PROVIDE INCENTIVES FOR MIDDLE INCOME CITIZENS TO RETURN TO OR REMAIN IN CENTRAL CITIES. MAY INVOLVE SPECIAL SHALLOW SUBSIDIES. POSSIBLE FHA ROLE.
- PROVIDE SUBSIDIZED HOUSING FOR LOW AND MODERATE INCOME PERSONS WHO WISH TO STAY IN CENTRAL CITY.
- COORDINATE ECONOMIC DEVELOPMENT WITH URBAN DEVELOPMENT INITIATIVES. MAY INVOLVE ENCOURAGEMENT OF REINVESTMENT IN NEIGHBORHOODS, LINKING LENDERS, NEIGHBORHOODS, AND CITY GOVERNMENTS. MAY INVOLVE NEW-TOWN-IN-TOWN CONCEPT.

II. USE HOUSING PROGRAMS AS AID TO REVITALIZATION AND TO  
PROVIDE NECESSARY SHELTER FOR ALL CITIZENS

- EXPAND SUPPLY OF HOUSING FOR LOW AND MODERATE INCOME PERSONS WITHOUT REGARD TO VOLATILE ECONOMIC CHANGES.
- MAINTAIN EXISTING SUPPLY THROUGH MAJOR REHABILITATION EFFORTS AND PROVIDE INCENTIVES FOR CREATION OF A REHABILITATION INDUSTRY.
- PROVIDE SUFFICIENT SUPPORT SERVICES -- SOCIAL, COMMERCIAL, RECREATIONAL -- TO ENSURE THAT SUBSIDIZED HOUSING IS AN INTEGRAL PART OF REVITALIZATION EFFORT.

**Electrostatic Copy Made  
for Preservation Purposes**

- UTILIZE HOUSING ASSISTANCE PLANS TO THEIR FULL POTENTIAL AS TOOL FOR USING HOUSING IN REVITALIZATION EFFORT.
- USE HUD INVENTORY IN IMAGINATIVE FASHION TO HOUSE THE POOR AND AID REVITALIZATION.

### III. PROVIDE FREEDOM OF CHOICE IN HOUSING FOR ALL PERSONS

- TO PROVIDE MEANINGFUL CHOICE, MUST ESTABLISH DIFFERENT PROGRAM OPTIONS FOR DIFFERENT TYPES OF CONSUMERS: HOMEOWNERSHIP, ELDERLY HOUSING, INDIANS, FAMILIES, ETC.
- MAY INVOLVE SMALL NEW COMMUNITIES IN SUBURBAN AREAS WITH INTERAGENCY COORDINATION TO RATIONALIZE EXISTING PROGRAMS FOR SEWERS, WATER, MASS TRANSIT, AND JOBS.
- NEED TO ADVISE PEOPLE ON THE RANGE OF CHOICES AVAILABLE AND THE CONCURRENT RESPONSIBILITIES OF SUCH CHOICES (COUNSELING, TECHNICAL SERVICES).
- IN A DEMOCRATIC SOCIETY, GOVERNMENT MUST ENSURE THAT ALL PEOPLE OF ALL RACES AND INCOME LEVELS HAVE THE OPPORTUNITY TO LIVE WHERE THEY CHOOSE -- NOT JUST IN CITIES, BUT SUBURBS AND RURAL AREAS AS WELL.
- COORDINATION NEEDED AMONG VARIOUS FEDERAL HOUSING PROGRAMS IN FARMERS HOME ADMINISTRATION, VETERANS ADMINISTRATION, AND HUD.

### IV. INCREASE CAPACITY OF COMMUNITIES AND NEIGHBORHOODS TO ACHIEVE REVITALIZATION

- FACILITATE THE EXCHANGE OF EXPERIENCES AND IMAGINATIVE APPROACHES BETWEEN COMMUNITIES.
- HELP TO PROVIDE MANAGEMENT EXPERTISE TO AID COMMUNITIES IN EFFICIENTLY USING STATE, LOCAL, FEDERAL, AND PRIVATE FUNDS.
- HELP NEIGHBORHOOD GROUPS TO DEAL WITH THE COMPLEXITIES OF USING AVAILABLE RESOURCES IN REVITALIZATION AND STABILIZATION EFFORTS.

JUNE 6, 1977



Estimated Percent of Household Expenditures Devoted  
to Housing in Selected Urban Areas

		<u>Percent</u> <sup>1/</sup>	
Russia	(1972)	5	(Heavily subsidized)
Hungary	(1972)	7.6	
Poland	(1972)	18.1	
Hong Kong	(1973)	15.1	
Singapore	(1973)	19.5	
Mexico City	(1973)	20.0	
Kingston, Jamaica	(1963)	11.7	
Korea	(1972)	18.5	
Philippines	(1971)	12.5	
Calcutta	(1971)	15.0	
Nairobi	(1968)	16.0	
United Kingdom	(1975)	12.7	(Based on "expenses for housing as share of disposable personal income.)
France	(1975)	8.6	
West Germany	(1975)	12.7	
Italy	(1975)	9.9	(Housing expenses as share of current personal income (S&E)
Sweden	(1975)	14.6	(Housing expenses as share of household disposable income.)
USA (Inside SMSAs)	(1974)	23 (Renters) 17 (Homeowners)	

<sup>1/</sup> Includes utilities.

SOURCES: Russia: Jack Underhill

Poland/Hungary: Office of International Affairs.

Remainder: International Bank for the Construction and Development.

OURCE: Mr. Rassias: Office of International Affairs obtained these data from the CIA.

Baptist Lunch 6/7/77

12 1/2 M.I. - < 4500 miss.

Coop gifts 14% → < 9% 25 yrs

Others do more (Mormons)

Goal For + 2 1/2 %/yr Home 1 1/2 %

1/5000 (same as now)

—  
Need now + 50%

Young - widows - couples

— Seminary students/profs.

LR trend Missionary volunteer

in seminaries → 500 in 2000 AD

- a) Set high goals
- b) Emphasize missionaries vs home church staff
- c) Use more volunteers
- d) Pinpoint local/personal finance
- e) Reduce training time



CONFIDENTIAL

THE WHITE HOUSE  
WASHINGTON

June 7, 1977

Z. Brzezinski  
Hugh Carter  
Tim Kraft

The attached was returned in  
the President's outbox and is  
forwarded to you for your  
information and appropriate  
action.

Rick Hutcheson

Re: Secure Communications &  
Security at Brzezinski  
Residence

DECLASSIFIED  
E.O. 12958, SEC. 3.4(c)  
WHITE HOUSE GUIDELINES, FEB. 24, 1983  
BY Jay NARS, DATE 10/13/89

THE WHITE HOUSE  
WASHINGTON

*confidential*

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
X	BRZEZINSKI
	BUTLER
	CARP
X	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

X	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE



## MEMORANDUM

~~CONFIDENTIAL~~THE WHITE HOUSE  
WASHINGTON  
THE PRESIDENT HAS SEEN.

June 6, 1977

## MEMORANDUM FOR THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *ZB.*

SUBJECT: Secure Communications and Security  
At My Residence

As I move into my house in McLean, the following security considerations need resolution:

1. Given the nature of my responsibility, I must have a secure telephone in the house, so that I can deal with security-sensitive matters by telephone, for example directly with the SecDef or the DCI. This requires the installation of a secure telephone in my house.
2. Given the fact that the house should contain a secure telephone facility and given the likelihood of foreign intelligence interest in me, some precautions should be taken to make certain that the house cannot be entered surreptitiously during my absence. Such entrance could be for the purpose of either tampering with the secure telephone, or installing listening devices in the house, or for some other intent. During the summer, for example, my family will be away and I will be returning to the house at night, with the house having stood empty during the day. Accordingly, I recommend that you authorize the Secret Service to install some sort of an alarm system in the house.

I may add that I do not relish asking the above, but in view of the nature of my job, and also in view of the fact that a number of Cabinet members, some of whom have no involvement in sensitive matters, are subject to comprehensive personal protection, I believe the above limited measures are warranted.

APPROVE ✓ DISAPPROVE \_\_\_\_\_

COMMENT \_\_\_\_\_

DECLASSIFIED  
E.O. 12958, SEC. 3A(b)  
WHITE HOUSE GUIDELINES, FEB. 24, 1983  
BY *Jay* NARS, DATE *12/13/84*

~~CONFIDENTIAL~~

*ok -  
Secure alarm  
phone system -  
Let Hugh Carter see  
me  
J*



## MEMORANDUM

~~CONFIDENTIAL~~THE WHITE HOUSE  
WASHINGTON  
THE PRESIDENT HAS SEEN.

June 6, 1977

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APPROVE ☒ DISAPPROVE ☐

COMMENT \_\_\_\_\_

DECLASSIFIED  
E.O. 12958, SEC. 3.4(b)  
WHITE HOUSE GUIDELINES, FEB. 24, 1982  
BY *Jay* NARS, DATE *10/15/89*

~~CONFIDENTIAL~~

*ok -  
Secure alarm  
phone system -  
Let Hugh Carter see  
me  
J*